

The City Council met in regular session at the hour of 8:33 a.m. in the Council Chamber, City Hall, on the day above written.

Present:	Brian Calhoun	Councilmember
	Brad Castillo	Acting Council President
	Mike Dages	Councilmember
	Jerry Duncan	Councilmember
	Henry Perea	Councilmember
	Cynthia Sterling	Councilmember
	Tom Boyajian	Council President

Dan Hobbs, City Manager  
Andy Souza, Assistant City Manager  
Hilda Cantu Montoy, City Attorney  
Becky Klisch, City Clerk  
Yolanda Salazar, Assistant City Clerk

Pastor Floyd Quenzer, Grace United Methodist Church, gave the invocation, and Fire Chief Brugeman led the Pledge of Allegiance to the Flag.

**PROCLAMATION OF BREAST CANCER AWARENESS MONTH - COUNCILMEMBER STERLING**

Read and presented.

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**APPROVE MINUTES:**

On motion of Acting President Castillo, seconded by Councilmember Sterling, duly carried, RESOLVED, the minutes of September 30, 2003, approved as submitted.

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**COUNCILMEMBER REPORTS AND COMMENTS:**

**FUTURE FORUM WITH PUBLIC UTILITIES COMMISSION (PUC) ON RAILROAD ISSUES - COUNCILMEMBER CALHOUN**

Councilmember Calhoun announced he and Councilmember Dages were working on scheduling a forum in November with Loretta Lynch of the PUC to discuss railroad issues (noise, accidents, crossings, etc.) and encouraged any other council member interested in getting involved to contact his assistant.

**COMMENDATION TO PUBLIC SAFETY PERSONNEL AND THE COMMUNITY FOR THEIR SUPPORT OF THE MID-YEAR BIKERS RUN (WITH 5,000 PARTICIPANTS) THIS PAST WEEKEND - COUNCILMEMBER STERLING**

Commendation made.

**FIRE STATION OPEN HOUSE WEEK - COUNCILMEMBER STERLING**

Councilmember Sterling encouraged all City officials to visit the fire stations in their districts during this open house week.

COMMENDATION TO JET LIM, COMMUNITY SANITATION, FOR GRAFFITI REMOVAL IN SOUTHEAST FRESNO; COMMENDATION TO BARBARA MILLER, CODE ENFORCEMENT, FOR USED TIRE PICK-UP EFFORTS; AND INVITATION TO COMMUNITY TO (STILL) ATTEND THE FRESNO FAIR RUNNING THROUGH OCTOBER 13<sup>TH</sup> - COUNCILMEMBER DAGES

Commendations made and invitation extended.

**142-129**

**10/7/03**

CANCELLATION OF OCTOBER 14, 2003, CITY COUNCIL MEETING - PRESIDENT BOYAJIAN

President Boyajian stated next Monday was Columbus Day, Council normally did not meet after holidays, and noted the agenda hearing schedule for October 14<sup>th</sup> was light and questioned if Council was interested in cancelling the meeting, with Councilmember Duncan adding Council also usually did not meet five weeks in a row, whereupon the following action was taken.

On motion of Councilmember Duncan, seconded by Councilmember Sterling, duly carried, RESOLVED, the City Council meeting of October 14, 2003, hereby cancelled, by the following vote:

Ayes	:	Calhoun, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	Castillo
Absent	:	None

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#### **APPROVE AGENDA:**

**(2-A) AMEND AND APPROVE THE 22<sup>ND</sup> ENTERPRISE ZONE BY ALLOTMENT OF THE CITY'S REMAINING EXPANSION ACREAGE, AUTHORIZING SUBMITTAL TO THE STATE DEPARTMENT OF TRADE AND COMMERCE OF SAID EXPANSION PROPOSAL(S), AND EXECUTION OF DOCUMENTS AND INSTRUMENT**

City Clerk Klisch advised the resolution associated with the item was left off the agenda title but was included in Council's packets for adoption. So noted.

#### **FRESNO CITY EMPLOYEES' ASSOCIATION (FCEA) CONTRACT - ACTING PRESIDENT CASTILLO**

Acting President Castillo gave direction to staff to schedule on October 21 at 5:00 p.m. discussion and action on the FCEA contract including making all management raises retroactive to July 1, 2002. City Attorney Montoy advised the matter was still in the Meet & Confer process and recommended it be scheduled first in closed session prior to open session. City Manager Hobbs also stated it would be inappropriate to agendize the issue as negotiations were still occurring and concurred if Council needed to discuss the issue that discussion take place in closed session. Brief discussion ensued on the appropriateness of scheduling the item in open session and Councilmember Calhoun expressed concern and stated the issue of scheduling the item should be placed on the agenda for a Council vote. Upon question, Ms. Montoy stated it was appropriate for a council member to schedule an item on the agenda but she would look into specifics and work with Acting President Castillo on the matter adding if the item is scheduled on the October 21<sup>st</sup> agenda Council can vote that date on whether to hear it or take it off the agenda.

On motion of Councilmember Dages, seconded by Acting President Castillo, duly carried, RESOLVED, the **AGENDA** hereby approved, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

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#### **CONSIDER CONSENT CALENDAR:**

Kathleen Garabed, Founder/Director, Stone Soup, 1345 E. Bulldog Lane #4, Eleanor Bennett, Faith Community Partnership, 281 E. Lisa, and Robert Kittredge, Stone Soup Board Member, 2986 W. Pembroke Loop, all spoke in opposition to Item **1-H** clarifying they had been pleased with the relationship with the police but other plans were made since they were informed the northeast station was moving and there were more pressing needs for the building, and read letters into the record further clarifying issues. At the request of Councilmember Duncan the item was pulled from the Consent Calendar and discussed after adoption of the Consent Calendar.

Gloria Torrez spoke to Item **1-C** stating there was no public input on the changes and requested schedules be made available for review at least one month before releasing them; in opposition to **1-D** stating there was no public hearing and spoke to needed shelter improvements; and requested Item **1-G** be vetoed stating she was opposed to taking carryover funds from departments who need the money.

Barbara Hunt, 2465 S. Walnut, spoke to Item **1-D** citing the need for shelters to be improved in southwest Fresno, and in opposition to Items **1-G, 1-J** and **1-K**.

**ADOPT CONSENT CALENDAR:**

**(1-A) RESOLUTION NO. 2003-311** - APPROVING THE SUMMARY VACATION OF THE RELINQUISHMENT OF ACCESS RIGHTS ALONG FRESNO STREET NORTH OF EL PASO AVENUE

**(1-B) RESOLUTION NO. 2003-312** - AUTHORIZING THE PUBLIC WORKS DIRECTOR OR DESIGNEE TO WAIVE THE NINETY (90) DAY NOTICE OF INTENTION TO RELINQUISH REQUIREMENT, AND TO CONSENT TO THE ACCEPTANCE OF RIGHT-OF-WAY RELINQUISHMENTS FROM THE CALTRANS

**(1-C)** AWARD A ONE-YEAR REQUIREMENTS CONTRACT WITH PROVISIONS FOR TWO ONE-YEAR EXTENSIONS TO PREMIER OFFSET PRINTING OF CLOVIS, CA IN THE AMOUNT OF \$53,406.58 FOR SCHEDULE GUIDES

**(1-E)** APPROVE APPOINTMENTS OF BRUCE MORRIS, DUANE WAHL, NANCY ELLIS, NICHOLAS PALADINO, STEPHEN LEWIS, GLORIA GARCIA, LORI CHERRY AND THERESIA ROGERSON TO THE NEW CITY BICYCLE AND PEDESTRIAN ADVISORY COMMITTEE

**(1-F)** RESCIND THE PREVIOUS CONTRACT AWARDED ON JUNE 3, 2003, TO PETE' CONNECTION, INC., dba J-COMM IN THE AMOUNT OF \$132,198.07 TO REPLACE THE EXISTING DATA WIRING SYSTEM IN CITY HALL, AND AWARD A NEW CONTRACT TO CTEKK OF WESTMINSTER, CA IN THE AMOUNT OF \$149,237 FOR THE DATA WIRING PROJECT AT CITY HALL

**(1-G) RESOLUTION NO. 2003-313** - 23<sup>RD</sup> AMENDMENT TO AAR 2003-209 TO RE-BUDGET CAPITAL PROJECTS FROM VARIOUS COUNCIL DISTRICT INFRASTRUCTURE FUNDS BASED ON THE CARRY-OVER BALANCES FROM FISCAL YEAR 2003

**(1-I)** APPROVE APPOINTMENT OF STACEY J. RUBLE TO THE FULTON/LOWELL IMPLEMENTATION PLAN COMMITTEE - COUNCILMEMBER STERLING

**(1-J)** APPROVE AMENDMENT NO. 1 TO THE AGREEMENT WITH URS CORPORATION FOR THE ENVIRONMENTAL ANALYSIS AND ENVIRONMENTAL IMPACT REPORT (EA/EIR) STUDY AT FRESNO YOSEMITE INTERNATIONAL AIRPORT (FYI) FUNDED BY THE FEDERAL AVIATION ADMINISTRATION (FAA) ENTITLEMENT GRANT AIRPORT IMPROVEMENT PROJECT (AIP) 43

**(1-K) BILL NO. B-90** (FOR INTRODUCTION) - ADDING SECTION TO THE FRESNO MUNICIPAL CODE RELATING TO THE ADOPTION OF RULES AND REGULATIONS RESTRICTING VEHICULAR OR PEDESTRIAN TRAFFIC THROUGH ALLEYS

On motion of Acting President Castillo, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled **CONSENT CALENDAR** hereby adopted, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

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**CONTESTED CONSENT CALENDAR ITEMS:**

**(1-D)** AWARD A REQUIREMENTS CONTRACT TO HANDI HUT, INC., OF CLIFTON, NJ FOR TRANSIT SHELTERS (RE-BID)

Transit General Manager Rudd responded briefly to questions of Acting President Castillo relative to number of shelters scheduled to be completed and what they would look like.

On motion of Acting President Castillo, seconded by Councilmember Duncan, duly carried, RESOLVED, a one year requirements contract for transit shelters with provisions for two one-year extensions hereby awarded to Handi Hut, Inc., of Clifton, NJ, in the amount of \$64,617.50, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

**(1-H) AUTHORIZE THE POLICE DEPARTMENT TO RENEW THE LEASE AGREEMENT AT 1343 E. BULLDOG LANE TO ALLOW THE POLICE TRAFFIC UNIT TO OCCUPY THE OFFICE**

Councilmember Duncan spoke to the issue at length including the background and the numerous meetings that were held with the community (which he and Acting President Castillo attended) after the decision was made to move the northeast police substation; emphasized the community desperately wanted police presence in the area and a commitment was made by the City to continue to have a strong visible presence; spoke to problems that occur in the area and to how Chief Dyer came up with the proposal to locate the traffic unit there and complimented him; stressed he was flabbergasted to hear just now that Stone Soup was declining the proposal **(2 - 0)**; and reiterated the City got a very strong message from the community that police presence/visibility was wanted, stressed the community's concerns were of the upmost importance and a commitment was made by the City, and made a motion to approve staff's recommendation, which motion was seconded by Acting President Castillo.

Councilmember Calhoun stated although he was also surprised to hear Stone Soup's comments he did felt not all facts were before Council and requested Council not take action and staff send the matter back to the community for another meeting unless the issue was time sensitive. City Attorney Montoy advised the lease would expire on November 7<sup>th</sup> and Council needed to take action this date, and upon question of President Boyajian stated the lease did allow for the proposed use and also the option to renew the lease.

Acting President Castillo advised he went out and personally talked with area residents about the issue and not one person said they did not want the police there; also spoke to the meetings that were held and the specific Easter egg incident at a home for recovering drug addicts that Councilmember Duncan referenced; and stated he only heard three weeks ago Stone Soup did not want the police unit there and emphasized the community dictated they wanted the police to stay and he hoped there would continue to be a relationship with Stone Soup.

Upon the request of City Manager Hobbs Chief Dyer spoke to the issue including the department's position and their meetings with all involved, clarified the traffic officers would not just deal with traffic issues but would response to all calls received by the department, and stressed this was a win-win for the neighborhood and his department. Ms. Montoy, Deputy Chief Martin, Chief Dyer and Assistant City Manger Souza further clarified issues and/or responded to questions and comments of President Boyajian and Councilmember Calhoun relative to lease options, allowed uses, if Council could revoke the contract, who owned the building, perception the police department was saying "we don't care, we're going to impose our will", the department's partnership with Stone Soup, specifics relative to the four-building complex, how staff wrestled with both sides of the issue but determined the neighborhood's wishes came first, and this being a real estate transaction and the City was utilizing its rights.

On motion of Councilmember Duncan, seconded by Acting President Castillo, duly carried, RESOLVED, the Police Department authorized to renew the lease at 1343 E. Bulldog Lane to serve as on office for the Traffic Enforcement Unit, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

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The visiting Fresno High School American Government Class and their instructor, Mr. Verduzco, were recognized and welcomed, and Mr. Verduzco introduced each of his students.

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**(2-A) RESOLUTION NO. 2003-314 - AMEND AND APPROVE THE 22<sup>ND</sup> ENTERPRISE ZONE BY ALLOTMENT OF THE CITY'S REMAINING EXPANSION ACREAGE, AUTHORIZING SUBMITTAL TO THE STATE DEPARTMENT OF TRADE AND COMMERCE OF SAID EXPANSION PROPOSAL(S), AND EXECUTION OF DOCUMENTS AND INSTRUMENTS**

HECD Director Burkhardt reviewed the background of the issue, the amount of work that went into accomplishing the amended expansion, and the new businesses/employees that will come in and those that will be saved, and advised this final expansion would complete the build out of the Enterprise Zone and urged approval.

Barbara Hunt, 2475 S. Walnut, spoke in opposition.

Councilmember Calhoun spoke in support and to the importance of the issue, commended everyone involved for the team effort, and made a motion to approve. Councilmembers Dages and Sterling and City Manager Hobbs commented briefly on the issue and in support and commended all involved.

On motion of Councilmember Calhoun, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled Resolution No. 2003-314 hereby adopted, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

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**(10:00 A.M.)** TEFRA HEARING AS REQUIRED BY THE INTERNAL REVENUE CODE OF 1986 TO HEAR AND CONSIDER INFORMATION CONCERNING THE ISSUANCE OF REVENUE AND REFUNDING BONDS BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY (CSCDA) TO PROVIDE FINANCING FOR THE TRINITY HEALTH CREDIT GROUP  
**1. RESOLUTION NO. 2003-315 - APPROVING THE ISSUANCE OF THE CALIFORNIA STATEWIDE COMMUNITY DEVELOPMENT AUTHORITY QUALIFIED (501©)(3) REVENUE AND REFUNDING BONDS (TRINITY HEALTH CREDIT GROUP), SERIES 2003g AND 2003h (HOLY CROSS HEALTH SYSTEMS CORPORATION) IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$85,000,000 TO FINANCE AND REFINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF HEALTH CARE FACILITIES OWNED AND OPERATED BY SAINT AGNES MEDICAL CENTER, AND CERTAIN OTHER MATTERS RELATING THERETO**

City Attorney Montoy advised she was on the Board of Directors for St. Agnes Medical Center and recused herself from proceedings and left the meeting. President Boyajian announced the time had arrived to consider the issue and opened the hearing.

Finance Director/Controller Quinto introduced principals from St. Agnes and CSCDA in attendance and advised they were available to answer any questions. Treasury Accountant-Auditor Hardcastle reviewed the issue as contained in the staff report as submitted, recommended approval, and upon question of President Boyajian confirmed the City was not the issuer of the bonds and had no financial liability in this matter.

Barbara Hunt, 2475 S. Walnut, spoke in opposition.

Upon call, no one else wished to be heard and President Boyajian closed the public hearing.

**(3 - 0)** Chief Assistant City Attorney Sanchez responded briefly to questions of Councilmember Calhoun relative to the process and if any non-profit could apply for these types of bonds. Councilmember Duncan spoke in support of the issue stating there was no better corporate citizen than St. Agnes and made a motion to approve.

On motion of Councilmember Duncan, seconded by Acting President Castillo, duly carried, RESOLVED, the above entitled Resolution No. 2003-315 hereby adopted, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

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**(2-B) APPROVE AGREEMENTS, SUBJECT TO CITY ATTORNEY APPROVAL, WITH THE FRESNO COUNTY FIRE PROTECTION DISTRICT**

1. TRANSITION AGREEMENT REGARDING TRANSFER OF CERTAIN GENERAL AND VALOREM PROPERTY TAX GENERATED BY ANNEXATIONS; AND
2. AGREEMENT FOR AUTOMATIC AID FIRE PROTECTION SERVICE

Assistant City Manager Souza reviewed the issue as contained in the staff report as submitted and recommended approval subject to city attorney approval. City Attorney Montoy advised she was also asking the agreements be approved subject to city attorney approval stating minor tweaking may be involved and if there was anything more the agreements would come back to council.

Barbara Hunt, 2475 S. Walnut, spoke to the issue. Acting President Castillo left the meeting at 10:16 a.m.

Councilmember Calhoun spoke in support of the issue and made a motion to approve staff's recommendation, which was seconded by Councilmember Dages who also spoke in strong support, commended staff, and questioned the timeline for Fire Station 15, with Chief Brugeman stating the project should go out to bid by the first of the year.

On motion of Councilmember Calhoun, seconded by Councilmember Dages, duly carried, RESOLVED, the above agreements with the Fresno County Fire Protection District hereby approved, subject to City Attorney approval, by the following vote:

Ayes	:	Calhoun, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	Castillo

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**(10:15 A.M.) PRESENTATION ON PRELIMINARY FINDINGS OF THE PUBLIC SAFETY NEEDS ASSESSMENT**

Acting President Castillo returned to the meeting at 10:22 a.m. City Manager Hobbs gave opening remarks at length stating Council had been made aware before through reports that the needs for public safety—both immediate and long-term—were dramatic; stated the police and fire departments were asked to prepare preliminary needs assessments for the next 20+ years and noted those assessments were also required as part of the 2025 General Plan; advised of the methodologies that were used to prepare the report; stated the numbers were very dramatic and gave a brief overview noting the Chiefs would expand upon the numbers further; and spoke to the expected increased calls for services by 2025, the public safety committee that was established and what their task will be, and concluded stating through this process staff felt Council would get a clear view on the level of public safety services the community wants and how the City can afford the level of services desired. Police Chief Dyer and Fire Chief Brugeman gave overviews of their findings and needs, all as contained in the reports as submitted.

Speaking to the issue were: Barbara Hunt, 2475 S. Walnut, and Alex Correa, FCEA, who spoke to the importance of considering support staff.

Extensive discussion ensued with Mr. Hobbs and Chiefs Dyer and Brugeman responding to questions, comments and/or concerns of Councilmembers Dages, Duncan, Perea, Calhoun, Castillo and President Boyajian relative to what the tax increase will be (with Mr. Hobbs emphasizing discussion on a tax increase was totally premature and the issue at this time was determining needs) **(4 - 0)**, importance of knowing expenses when running a business, projected expenses in 2025, how other cities create revenues for their public safety needs, who would appoint commission members, if Council will not be part of the commission, a tax increase being imminent and need for Council to be included in the process, if consideration had been given to job creation other than the Regional Jobs Initiative (RJI), it being unfortunate the media was reporting on a tax increase and not the important issue of needs, financing options being discussed far down the road and a tax not necessarily being one of the options, what was needed for a four minute response time, current status of fire equipment, what is needed for full fire truck staffing, why there were more firefighters in 1980 than today, media reports of a tax being unfair to this process, timeline for the commission, need for Council to meet with the commission relative to what Council wants to see, need to put all information—pros and cons—out to the public, when the commission will be reporting back with recommendations, suggested revenues streams, if the Sheriffs department will be involved, importance of Council involvement to know the foundation, when names can be submitted for the committee, and if this issue could be scheduled at Council district meetings. There was no further discussion.

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Al Galvez, Pacific Gas & Electric, spoke to PG&E's new service center project and advised the official groundbreaking would be held on Thursday.

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**(10:30 A.M.) HEARING ON THE PROPOSED SPENDING PLAN FOR THE COPS LOCAL LAW ENFORCEMENT BLOCK GRANT (LLEBG) 2003 AWARD**

**1. RESOLUTION NO. 2003-316 - ACCEPTANCE OF THE LLEBG 2003 AWARD OF \$696,498, THE MATCH REQUIREMENT OF \$77,400, AND THE EXECUTION OF ANY RELATED DOCUMENTS**

**2. RESOLUTION NO. 2003-317 - 35<sup>TH</sup> AMENDMENT TO AAR 2003-209 APPROPRIATING \$609,900 TO THE POLICE DEPARTMENT FOR THE COPS LLEBG AND REALLOCATING \$86,600 OF EXCESS GRANT MATCH BACK TO THE GENERAL FUND**

President Boyajian announced the time had arrived to consider the issue and opened the hearing, and Chief Dyer reviewed the issue as contained in the staff report as submitted.

Barbara Hunt, 2475 S. Walnut, spoke in support of the issue.

Upon call, no one else wished to be heard and President Boyajian closed the public hearing.

Chief Dyer and Deputy Chief Martin responded to questions of Acting President Castillo and President Boyajian relative to the funds earmarked for cameras, number of cameras being purchased, if any would be used for graffiti surveillance, suggestion to look at purchasing video cameras **(5 - 0)**, and the radios for Citizens on Patrol.

On motion of Councilmember Duncan, seconded by Acting President Castillo, duly carried, RESOLVED, the above entitled Resolution Nos. 2003-316 and 2003-317 hereby adopted, by the following vote:

Ayes	:	Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
Noes	:	None
Absent	:	None

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**(10:45 A.M.) COUNCIL COMMITTEE REPORT ON SOCIAL SERVICES FUNDING**

**1. APPROVE COMMITTEE RECOMMENDATION TO ACCEPT THE RECOMMENDATIONS MADE BY THE HUMAN RELATIONS COMMISSION (HRC) FOR SOCIAL SERVICES FUNDING FOR FY 2003-2004**

**2. APPROVE COMMITTEE RECOMMENDATION TO DIRECT CITY OF FRESNO GRANT WRITERS TO PRIORITIZE THE PREPARATION OF GRANT APPLICATIONS TO ASSURE THOSE AGENCIES NOT AFFILIATED WITH THE UNITED WAY OF FRESNO COUNTY ARE FIRST TO RECEIVE CITY ASSISTANCE**

**(CONSIDERED AGAIN LATER IN THE MEETING)**

HRC Committee Chair Gaston and Commissioner Catalano spoke briefly to the HRC's work with the social service committee, HRC's recommendations as submitted, and upon request to the criteria and methodologies that were used in determining the funding.

Council Committee Member Sterling advised the Council Committee made some changes to the HRC's recommendations and explained the changes and reasons therefore, all as outlined in the memorandum submitted to Council. Council Committee Member Perea commended the HRC for all their hard work stating this was a tough job to do, spoke to the decreased funding this year, the cuts and increases that were made, and to the difficulty of funding one organization over another, and added the Committee felt the changes that were made were made in the most fair and equitable way as possible. Councilmember Sterling added some of the organizations were not receiving the benefit of the grant writer which was why #2 above was being recommended.

President Boyajian commended the HRC and the Council Committee for all their work and the organizations for all they do for the community.

Speaking to the recommendations, the process, and/or needs were: Ken Quenzer, Boys & Girls Clubs; Bon Duncan, Boys & Girls Clubs; Teresa Martinez, Boys & Girls Clubs; Brent Pries, Assistant Director, Boys & Girls Clubs; Susan Bechara, House of Hope; Kathleen Mancebo, Executive Director, Fresno Area Non-Profit Council; Polly Franson, Director, CASA; Michael O'Hare, Volunteer Center Board Member; Barbara Hunt, 2475 S. Walnut, who spoke to the HRC's role; Javier Guzman, Chicano Youth Center **(6 - 0)**; and Kathleen McIntyre, 3795 E. Shields, who spoke to the importance of funding and to how the funds are leveraged by organizations.

Upon call, no one else wished to be heard and President Boyajian closed public testimony, and by Council consensus, proceedings were continued to 3:30 p.m.

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#### **LUNCH RECESS - 12:30 P.M. - 2:19 P.M.**

#### **(2:15 P.M.) AWARD A CONTRACT FOR CONVENTION CENTER OPERATING AND MARKETING SERVICES**

##### **1. STAFF RECOMMENDATION: AWARD CONTRACT TO SMG**

Assistant City Manager Souza advised staff submitted a point-by-point comparative analysis of the two firms as requested, spoke to the letter that was sent to the firms and the nine questions they were asked to respond to to further analyze the proposals, and stated staff was still recommending the contract be awarded to SMG as they felt SMG was best able to meet the City's objectives for the operation and marketing of the Convention Center, all as explained in the staff report as submitted.

Speaking in support of Global Spectrum was Val Saldana, Lang, Richert & Patch; Tom Conners, SMG Senior Vice President, spoke in support of SMG; and Barbara Hunt, 2475 S. Walnut, spoke in support of SMG.

Councilmember Duncan stated Global's comment about one company being unable to successfully manage more than one facility in a market carried no weight and elaborated at length, submitting written material and displaying maps to illustrate the numerous facilities run by Global in close proximity to one another, and made a motion to award the contract to SMG, which motion was seconded and later acted upon.

Mr. Conners, Interim Convention Center Director Sweeney **(7 - 0)**, Mr. Dennis of Global, City Attorney Montoy, and Mr. Souza responded to numerous questions and comments of Acting President Castillo at length. Acting President Castillo reiterated and expressed his strong concern with how the process and the whole issue was handled, emphasized this matter had been voted on five times and staff "wore down Council until they got what they wanted", and stressed this was not the way to do business. Upon further question, Chief Assistant City Attorney Sanchez confirmed a portion of SMG's \$250,000 contribution would have to be paid back to SMG if the agreement were to be terminated earlier due to non-performance. Councilmember Sterling also spoke to the issue at length presenting numerous questions, with Mr. Souza and Mr. Conners responding throughout; spoke in support of Global stating the City was losing a great opportunity by not taking on Global; and also expressed her concern with the issue and spoke to the "lengths staff went to get their way".

In response to Acting President Castillo's and Councilmember Sterling's comments, City Manager Hobbs stated there was disagreement on the issue, this was not about wearing anybody down, the administration had been very consistent throughout the process in their belief that SMG would do a better job with the City in the long term, and negotiations were conducted in good faith; and stated the Mayor exercised his prerogative under the Charter and vetoed the item because in his judgement it was not in the best interests of the city adding the Mayor had a moral obligation and a fiduciary responsibility to the citizens to do that and there was nothing underhanded about it. Mr. Souza added (1) the letter that was sent out did not address anything that was not first in the original RFP, the Last, Best and Final Offer, or specifically discussed at the September 16<sup>th</sup> Council meeting; (2) noted, as pointed out by the city attorney, SMG did submit a proposed contract but advised that contract would not be used and negotiations would begin with the City's standard contract as presented by the city attorney's office, and (3) relative to the comment about "wearing down Council" stated staff brought the matter before Council on June 16<sup>th</sup> for the initial award and on September 16<sup>th</sup> because of the conflict with IRS Rule 97-13 and clarified all other actions were brought forth by members of the Council and not by staff or the administration.

Discussion continued with Councilmember Dages **(8 - 0)** and President Boyajian commenting on the issue and presenting numerous questions at length, with Ms. Montoy, Mr. Souza, Controller/Finance Director Quinto, Mr. Dennis, Mr. Sweeney and Mr. Conners responding throughout. Councilmember Dages stated he wanted to see the \$200,000 stadium bond investment used to market the Convention Center and the inclusion of a non-compete clause in the contract, with President Boyajian stating he also wanted to see a non-compete clause



and employees get jobs relevant to what they were currently doing.

142-136

10/7/03

Upon question of Councilmember Duncan, Mr. Conners agreed to a non-compete clause. Upon question of Ms. Montoy Councilmember Duncan included the non-compete issue in the motion.

On motion of Councilmember Duncan, seconded by Councilmember Calhoun, duly carried, RESOLVED, a contract hereby awarded to SMG, subject to City Attorney approval, for the operation and marketing of the Convention Center facilities with the contract to be consistent with the terms contained in the RFP, SMG's proposal including the Last, Best and Final offer of June 2, 2003, and its letter of September 30, 2003, and standard City contract language, and, in addition, a non-compete clause to be included in the contract, by the following vote:

Ayes : Calhoun, Dages, Duncan, Boyajian  
Noes : Castillo, Perea, Sterling  
Absent : None

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**(10:45 A.M.) COUNCIL COMMITTEE REPORT ON SOCIAL SERVICES FUNDING**

**1. APPROVE COMMITTEE RECOMMENDATION TO ACCEPT THE RECOMMENDATIONS MADE BY THE HUMAN RELATIONS COMMISSION FOR SOCIAL SERVICES FUNDING FOR FY 2003-2004**

**2. APPROVE COMMITTEE RECOMMENDATION TO DIRECT CITY OF FRESNO GRANT WRITERS TO PRIORITIZE THE PREPARATION OF GRANT APPLICATIONS TO ASSURE THOSE AGENCIES NOT AFFILIATED WITH THE UNITED WAY OF FRESNO COUNTY ARE FIRST TO RECEIVE CITY ASSISTANCE**

**(CONTINUED FROM EARLIER IN THE MEETING)**

Proceedings continued from earlier. Councilmember Duncan complimented the Human Relations Commission (HRC) for all their work stating it was a tough task and noted all the non-profits they were recommending were non-profits every citizen in the city could support; commended the Council Committee for their work; requested #1 and #2 be voted upon separately stating although he recognized the needs of non-profits he did not support the City allocating its scarce resources to non-profits as it was not the City's job, there were other huge fundamental needs of the city, and other entities did not allocate funds to social service agencies; and stated he wholeheartedly supported #2 stating it was a program that was working very well. Councilmember Calhoun stated his concern was the City engaging in this activity, excluding groups, and disappointing people; agreed with Councilmember Duncan and questioned why other bodies do not provide assistance and why the City of Fresno should take the brunt of the responsibility of doing this; stated he did not feel the process had been handled well this time noting some agencies were added while significant cuts were made to others; and stated although the Council Committee made some minor adjustments he did not feel they went far enough and he would not support the matter.

Relative to #2 above City Manager Hobbs clarified the money allocated for grant writing is granted to the United Way to provide training to agencies in grant writing and is not allocated for a grant writer, and suggested #2's wording be changed to read "Approve Committee Recommendation to Direct that the City of Fresno Social Services Grant Writing Activity Continue to Provide Training in the Preparation of Grant Applications" stating this would meet the intent that the City was providing training in how to write grants.

Councilmember Sterling spoke in support of funding social service agencies stating she visited many of them before she was elected and stressed they were needed to help address crime, unemployment, the homeless, etc., and made a motion to approve the HRC's recommendations *as modified by the Council Committee* (explained earlier and outlined in the memo distributed to Council), and further, approve #2 above. Noting Councilmember Duncan requested a separate vote, Councilmember Sterling made a motion to approve #1 as modified, which motion was seconded by Councilmember Perea.

Relative to Mr. Hobbs' comments on #2, Councilmember Perea clarified the intent was to prioritize the agencies who do not receive funding from the United Way to get help first over those who do receive United Way funding, with Mr. Hobbs stating that was helpful and there would be no problem telling them that. Upon request of Acting President Castillo for clarification on the exact wording of #2, brief discussion ensued, Mayor Chief of Staff White explained the grant writing program with United Way, and Mr. Hobbs clarified the City's grant writers wrote grants only for City activities and recommended the wording be changed to "Approve Committee Recommendation to Direct that the City of Fresno Social Services Grant Writing Program Prioritize the Preparation of Grant Applications to Assure Those Agencies Not Affiliated with (and who do not receive funding from) the United Way of Fresno County are First to Receive City Assistance in Applying for Grants. "

Lengthy discussion ensued. Councilmember Dages stated he did not understand how the agencies were evaluated noting nine out of thirty-six agencies got exactly what they asked for, some were cut dramatically, and some were funded close to their request and questioned how precedence was given to the agencies by the Council Committee when they made the changes; noted the cut to the Boys & Girls Clubs was a traumatic loss and stated Council needed to keep in mind the agencies leverage the funds on a 9 to 1 ratio; stated this difficult issue started a few years ago strictly because past Mayors cut social service funding over the years due to agencies' leveraging their funds and stated either the City should fund and support the agencies and not go through this "fiasco" every year or not fund them; **(9 - 0)** and stated he would not support the motion as the process was not fair. Councilmember Perea agreed the process needed to be revamped so Council does not have to go through this year after year but emphasized every year Council hears funding is not equal or fair; stated he wanted to set up a meeting with the HRC and the non-profits so everyone knows the rules; and stressed Council voted to reduce social service spending which he was opposed to and that was why so many organizations took significant cuts. Acting President Castillo added there has been a continuing down-spiraling of social service funding ever since he took office; stated he knows people from Clovis take advantage of these services and questioned if the non-profits have ever asked Clovis to "pony-up" funds; and stated the situation was only going to get worse and other entities needed to step up to the plate. Assistant Parks & Recreation Director Haynes and Mr. Hobbs responded to questions of President Boyajian relative to whether the grant program was successful/accomplished anything, if any of the thirty-six agencies received any grants, why that information was not presented to Council, and if it would be wise to wait and have staff report back on which agencies received grant funds before taking any action. Councilmember Sterling noted those organizations who were ensured funds from the United Way were highlighted and President Boyajian again asked if Council felt it would be helpful to know the amount some organizations got from grants, whereupon a motion was made to table the matter two weeks to receive information on which agencies received grants and the amounts to make the funding distribution more equitable.

Public testimony was reopened at the request of Acting President Castillo. Margarita Rocha, Director, Centro La Familia Advocacy Services, advised some organizations' contracts ended September 30<sup>th</sup> and staff was being affected (held in abeyance or on lay-off notice), stated just because some organizations have benefitted from the grant writing it did not mean those monies were obtained for the positions currently being supported and explained, and responded to questions of Councilmember Sterling relative to their funding from the United Way. Mr. Haynes clarified the United Way identifies specific non-profits that are guaranteed funding and stressed that program was totally separate and distinct from the grant writing contract the United Way had with the City of Fresno. Noting there was a motion to table Councilmember Calhoun questioned if debates with the public were going to occur again, whereupon Councilmember Perea withdrew his motion to table so discussion could continue. A United Way representative clarified issues relative to United Way's cut in funding and their application process, and asked Council to not penalize groups that may get funding from other sources in the community. Councilmember Perea stated there were two options and he wanted some kind of consensus from the organizations who were still present on whether they supported Council approving the HRC's recommendations as modified by the Committee (option "a") or tabling the issue for two weeks to obtain information on which groups received grant funds due to the grant program (option "b"). Councilmember Calhoun again expressed his concern with receiving additional public input stating it was very inappropriate, whereupon Councilmember Perea asked for show of hands on who supported which option and the following action was taken.

On motion of Councilmember Perea, seconded by Councilmember Sterling, duly carried, RESOLVED, the matter hereby tabled two (2) weeks to obtain information on which groups received grant funding and the amount of the grants, by the following vote:

Ayes	:	Castillo, Duncan, Perea, Sterling, Boyajian
Noes	:	Calhoun, Dages
Absent	:	None

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## (2-C) APPROVE RESPONSES TO THE 2002-2003 GRAND JURY REPORT

M.A. III Zieba gave a brief overview of the issue as contained in the staff report as submitted.

Speaking to the issue were: Barbara Hunt, 2475 S. Walnut, and Gloria Torrez, who expressed concern with a Transit Authority, spoke in opposition to natural gas for buses and the alternative fuel facility, and to the need for improved transit services.

Councilmember Sterling questioned if action could be delayed two weeks to further review the issue with Assistant City Manager

Souza stating action needed to be taken this date as there was a specific time line to respond. City Manager Hobbs stated staff concurred in most of the findings of the Grand Jury and advised many of the information came out of City Hall.

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President Boyajian stated he disagreed with item “J” on Page 2 stating attendance at the stadium had been exceeded, with Mr. Souza clarifying the specific financial projection was the event revenue based on City events which have not occurred and therefore have not met the projections. Upon question of President Boyajian Mr. Hobbs stated the response would be changed stating that was a very good point. President Boyajian questioned the “Response to Recommendation 3” on Page 5 relative to the Fiscal Responsibility Committee, brief discussion ensued, and City Attorney Montoy recommended the text of the response be revised to read that the City does have a process in place that insures the selection of an external auditor who is independent, and Mr. Hobbs stated that language would be added. President Boyajian questioned if staff agreed with item “E” on page 35, with Deputy Police Chief Martin stating they disagreed and the response was in error, and Ms. Montoy stated that response needed to be corrected. President Boyajian expressed concern with item “E” on Page 37 clarifying the hearing officer was Judge Pettit who said Council was the policy makers and had the right to make a policy judgement, with Ms. Montoy responding and stating staff would confirm if the Judge said that and if he did that language would be added. Councilmember Dages briefly left the meeting at 5:21 p.m.

Councilmember Calhoun stated he did not see anything in the report that rose to a serious level of concern, stated he saw all relatively “nickle and dime” issues that everyone could quivel and argue about, stated it was a credit to staff and the Council to run a city this large and never have anything that has risen to the level of a headline, and made a motion to approve staff’s response to the report. Upon question of Councilmember Duncan, Councilmember Calhoun stated he would incorporate the modifications that were just discussed and Councilmember Duncan seconded the motion.

On motion of Councilmember Calhoun, seconded by Councilmember Duncan, duly carried, RESOLVED, the response to the 2002-2003 Fresno County Grand Jury Report hereby approved, as verbalized and modified above, and the City Manager directed to sign and submit the response to Fresno County, by the following vote:

Ayes	:	Calhoun, Castillo, Duncan, Boyajian
Noes	:	Perea, Sterling
Absent	:	Dages

Councilmember Calhoun questioned what message the “no” votes sent with Ms. Montoy stating they were not detrimental and “no” votes had occurred before. Councilmember Dages returned to the meeting at 5:23 p.m.

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**(4-A) SCHEDULED PUBLIC COMMENT - APPEARANCE BY TROY JOWERS AND WAYNE NORDYKE TO DISPUTE A FEE IMPOSED BY THE CODE ENFORCEMENT DIVISION FOR REMOVING DEBRIS FROM HIS PROPERTY**

Not present when called.

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**(2:00 P.M.) CLOSED SESSION - (A) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - CASE NAME: BOMBAY CORPORATION, ET AL. V. COF, FRESNO SUPERIOR COURT CASE NO. 02-CE-CG-02021**

The City Council met in closed session in Room 2125 at the hour of 5:25 p.m. to consider the above issue and adjourned thereafter.

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## ADJOURNMENT

There being no further business to bring before the Council, the hour of 5:35 p.m. having arrived and hearing no objections, President Boyajian declared the meeting adjourned.

**APPROVED** on the \_\_\_\_\_ day of \_\_\_\_\_, 2003.

\_\_\_\_\_  
Tom Boyajian, Council President

\_\_\_\_\_  
ATTEST: Yolanda Salazar, Assistant City Clerk

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